

The Comptroller of Maryland's Voluntary Disclosure Agreement ("VDA") Programs

The Comptroller's Office offers a voluntary disclosure agreement ("VDA") program that allows businesses and individuals to voluntarily report and pay past due Maryland tax liabilities. The VDA program is available for all taxes administered by the Comptroller's Office. The VDA program applies only if we have not previously contacted you about the liability. The program is confidential.

The taxpayer makes the initial contact through a third party, usually an accountant or tax attorney, and may remain anonymous throughout the negotiation and agreement process. The third party must provide a letter, on the taxpayer's behalf, that details why a Maryland liability exists. For businesses, the letter should detail the taxpayer's Maryland business activity and when it started. The explanation should include all nexus issues, such as personnel, inventory, property, etc. The letter should clearly state the taxpayer has not been previously contacted by our office concerning its respective tax obligation(s) and should include an approximate or exact amount of the liability for the current tax period and the applicable lookback period.

The lookback period for corporate and individual income tax is four years. The lookback period includes tax for the most recent tax year for which a filing is past due, plus the three years immediately preceding. The lookback period for sales and use tax and admissions and amusement tax is four years.

Voluntary disclosure procedures allow for the abatement of any applicable penalties upon payment of tax and interest.

Once both parties execute the VDA, the taxpayer usually has sixty (60) days to report and pay the tax due. The Comptroller reserves the right to audit any amounts within the time period agreed upon during the negotiations. The VDA will be void if any misrepresentations are made.

Correspondence should be sent to:

Comptroller of Maryland
Compliance Division
Voluntary Disclosure Program
301 West Preston Street, Room 203
Baltimore, Maryland 21201

For more information about the VDA program, e-mail cdvda@marylandtaxes.gov or call [410-767-1555](tel:410-767-1555) from Central Maryland or [1-888-674-0020](tel:1-888-674-0020) from elsewhere.

Unclaimed Property Voluntary Disclosure Program

If you are interested in entering into an Unclaimed Property VDA, the Comptroller's Office provides holders who have underreported or failed to previously report abandoned property to the State an opportunity to voluntarily comply with the requirements of the Maryland Abandoned Property Act. These holders can satisfy their past abandoned property obligations, avoid an audit, and forego penalties on delinquent remittances.

By negotiating a VDA with the State, holders are indicating their desire to come into compliance with Maryland's abandoned property laws and remain compliant with their required filings. To participate in the VDA program, the holder must not have been contacted by or currently under audit by the Comptroller's Office or an agent of the Comptroller's Office.

To initiate the VDA process, please contact the Unclaimed Property Unit at: cdvda@marylandtaxes.gov. All requests are subject to review. Upon approval, the holder will have until the date contained in the agreement to file reports and to pay and deliver all abandoned or unclaimed property to the Comptroller's Office.